

Message Text

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PAGE 01 BONN 14510 061613Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 FRB-03 L-03 COME-00 CIAE-00
INR-07 NSAE-00 /034 W
-----115699 061921Z /43
R 061551Z SEP 77
FM AMEMBASSY BONN
TO SECSTATE WASHDC 1165
DEPARTMENT TREASURY

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TREASURY PASS TO COMPTROLLER OF THE CURRENCY, DIRECTOR,
INTERNATIONAL OPERATIONS DIVISION, L'ENFANT PLAZA

E.O. 11652: N/A
TAGS: EFIN, GW
SUBJECT: GERMAN DENIAL OF US REQUEST TO EXAMINE
CITYBANK, A.G.

REF: BONN 13474

1. BEGIN UNCLASSIFIED. WE HAVE NOW RECEIVED THE
FOLLOWING NOTE VERBALE FROM THE GERMAN FOREIGN OFFICE
(REF. 512-522.20/1 USA):

BEGIN QUOTE. THE FOREIGN OFFICE HAS THE HONOR TO
INFORM THE EMBASSY OF THE UNITED STATES OF AMERICA OF
THE FOLLOWING IN REFERENCE TO THE NOTIFICATION OF THE
EMBASSY TO THE BANKING SUPERVISORY AUTHORITY OF
JULY 18, 1977, ACCORDING TO WHICH AN EXAMINATION IS
ENVISAGED OF CITYBANK W.A. AND CITYBANK A.G. IN
FRANKFURT/MAIN THROUGH OFFICIAL EXAMINERS OF THE
"OFFICE OF THE COMPTROLLER OF THE CURRENCY" IN THE
TIME FROM OCTOBER 3 UNTIL OCTOBER 28, 1977:

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ACCORDING TO THE RECIPROCITY AGREEMENT REACHED
BETWEEN THE FOREIGN OFFICE AND THE EMBASSY OF THE
UNITED STATES OF AMERICA THROUGH THE EXCHANGE OF
NOTES OF OCTOBER 20, 1971 AND MARCH 6, 1972, THE
EXAMINATION OF LEGALLY DEPENDENT BRANCHES OF US
BANKS IN THE FEDERAL REPUBLIC IS PERMISSIBLE. THERE
ARE NO OBJECTIONS REGARDING THE EXAMINATION OF THE

FRANKFURT BRANCH OF THE CITYBANK W.A.

THE FOREIGN OFFICE REGRETS HOWEVER TO HAVE TO POINT OUT THAT THERE ARE OBJECTIONS (BEDENKEN) AGAINST THE ENVISAGED EXAMINATION OF CITYBANK A.G., A CORPORATION UNDER GERMAN LAW. IN THE ABOVEMENTIONED EXCHANGE OF NOTES AN EXAMINATION WAS NOT AGREED OF LEGALLY INDEPENDENT CREDIT INSTITUTIONS IN THE FEDERAL REPUBLIC OF GERMANY, EVEN IF THE MAJORITY OF THE CAPITAL OF SUCH INSTITUTIONS WAS IN US HANDS. SUCH AN EXAMINATION THEREFORE SHOULD BE ABSTAINED FROM. END QUOTE. COMPLIMENTARY CLOSE. END UNCLASSIFIED

2. BEGIN LIMITED OFFICIAL USE. COMMENT: THE FINANCE MINISTRY TELLS US THAT THE ABOVE NOTE IS THE RESULT OF AN INTERMINISTERIAL DISPUTE AS TO COMPETENCE IN THIS QUESTION AND AN ATTEMPT BY THE FOREIGN MINISTRY TO CHANNEL THROUGH IT ALL COMMUNICATIONS BETWEEN THE EMBASSY AND THE FEDERAL REPUBLIC ON BANK EXAMINATIONS. IT DOES NOT CHANGE THE SUBSTANCE FROM OUR PREVIOUS REPORTS AND, ACCORDING TO THE FINANCE MINISTRY, ALSO DOES NOT CHANGE ITS WILLINGNESS TO ENTER INTO NEGOTIATIONS FOR A RECIPROCITY AGREEMENT FOR THE EXAMINATION OF SUBSIDIARIES ALONG THE LINES PREVIOUSLY REPORTED. IT MAY MEAN, HOWEVER, THAT SUCH NEGOTIATIONS WOULD BECOME MORE COMPLICATED, WITH THE FOREIGN OFFICE LIMITED OFFICIAL USE

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ASSUMING A MAJOR ROLE IN THEM. END LIMITED OFFICIAL USE.

BEGIN UNCLASSIFIED. ACCORDING TO THE GERMAN PRESS, CHASE MANHATTAN BANK IS NOW IN THE PROCESS OF CONVERTING ITS GERMAN OPERATIONS INTO A SUBSIDIARY ORGANIZED UNDER GERMAN LAW AND TO BE KNOWN AS CHASE BANK, A.G. MEEHAN

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 06-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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ISecure: 1
Legacy Key: link1977/newtext/t19770996/aaaaddhj.tel
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Message ID: 4d2b784d-c288-dd11-92da-001cc4696bcc
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Subject: GERMAN DENIAL OF US REQUEST TO EXAMINE CITYBANK, A.G.
TAGS: EFIN, GE, US
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